You have no beneficial interest in the instruments comprising the BBSMARTU; owning the [Notes] is not the same as owning any of the instruments comprising the BBSMARTU

Investing in the [Notes] is not equivalent to investing in the instruments comprising the BBSMARTU or any related futures contracts, securities or other exchange-traded or over-the-counter instruments related to the instruments that compose the BBSMARTU. As an investor in the [Notes], you will not have any ownership interest or rights in the instruments comprising the BBSMARTU or any related futures contracts, securities or other exchange-traded or over-the-counter instruments related to the instruments that compose the BBSMARTU.

The return on your [Notes] will not reflect the return you would realize if you actually purchased the instruments that compose the BBSMARTU, any related commodities or other exchange-traded or over-the-counter instruments related to the instruments that compose the BBSMARTU. Therefore, the yield on the [Notes] may be less than the yield that would be produced if the instruments comprising the BBSMARTU were purchased directly and held for a similar period.

The market value of the [Notes] may be influenced by many unpredictable factors

The following factors, among others, many of which are beyond our control, may influence the market value of your [Notes]:

- the prevailing level of the BBSMARTU and/or the Index Components;
- the volatility—*i.e.*, the frequency and magnitude of changes—of the level of the BBSMARTU, the Index Components and/or the VIX;
- economic, financial, regulatory, political, military, public health and other events that affect markets generally and the BBSMARTU specifically;
- interest and yield rates in the market;
- a change in the cost of funding of the Issuer;
- the time remaining until the [Notes] mature; and
- our creditworthiness, whether actual or perceived, and including actual or anticipated upgrades or downgrades in our creditworthiness or changes in other credit measures.

Some or all of these factors may influence the price you will receive if you sell your [Notes] prior to maturity, and you may have to sell your [Notes] at a substantial discount from the principal amount of your [Notes]. Information regarding independent market pricing for the [Notes] may be extremely limited. The impact of any of the factors set forth above may enhance or offset some or all of the changes resulting from another factor or factors.

Certain business and trading activities may create conflicts with your interests and could potentially adversely affect the value of the [Notes]

We or one or more of our affiliates, may engage in trading and other business activities that are not for your account or on your behalf (such as holding or selling of the [Notes] for our or their proprietary account or effecting secondary market transactions in the [Notes] for other customers). These activities may present a conflict between your interest in the [Notes] and the interests we or one or more of our or its affiliates, may have in our or their proprietary account. We and our affiliates may engage in any such activities without regard to the [Notes] or the effect that such activities may directly or indirectly have on the value of the [Notes].

Moreover, we and our affiliates play a variety of roles in connection with the issuance of the [Notes], including acting as calculation agent, hedging our obligations under the [Notes], acting as sponsor of the BBSMARTU and making the assumptions and inputs used to determine the pricing of the [Notes] and the estimated value of the [Notes] when the terms of the [Notes] are set. In connection with such activities, our economic interests as calculation agent and the economic interests of affiliates of ours may be adverse to your interests as an investor in the [Notes]. Any of these activities may affect the value of the [Notes]. In addition, because hedging our obligations entails risk and may be influenced by market forces beyond our control, this hedging activity may result in a profit that is more or less than expected, or it may result in a loss. We or one or more of our affiliates will retain any profits realized in hedging our obligations under the [Notes] even if investors do not receive a favorable investment return under the terms of the [Notes] or in any secondary market transaction.

We or one or more of our affiliates may also issue, underwrite or assist unaffiliated entities in the issuance or underwriting of other debt securities or financial instruments. By introducing competing products into the marketplace in this manner, we and/or our or affiliates could adversely affect the value of the [Notes].

The strategy tracked by the BBSMARTU is not guaranteed to succeed

The strategy tracked by the BBSMARTU is not guaranteed to be successful. It is impossible to predict whether and the extent to which a given Index Component will yield positive or negative results. The BBSMARTU allocates exposure to and among the Index Components based on historical economic observations, which may not hold true in the future. You should seek your own advice as necessary to assess the BBSMARTU and its strategy.

The BBSMARTU has limited history and may perform in unexpected ways

The BBSMARTU was launched on January 31, 2023. Therefore, the BBSMARTU has a limited performance history. Because the BBSMARTU is of recent origin with limited performance history, an investment linked to the BBSMARTU may involve a greater risk than an investment linked to one or more indices with an established record of performance. A longer history of actual performance through various economic and market conditions would have provided greater and more reliable information based on which an investor can assess the validity of the BBSMARTU's investment thesis and methodology. However, any historical performance is not an indication of future performance.

Hypothetical back-tested performance information is subject to significant limitations

The BBSMARTU has a limited performance history, and this limited performance history may not reflect the way in which the BBSMARTU would perform in a variety of market conditions. All information regarding the performance of the BBSMARTU prior to its launch date is hypothetical and back-tested, as it did not exist prior to that date. It is important to understand that back-tested information is subject to significant limitations, in addition to the fact that past performance is never a guarantee of future performance and should never be considered indicative of future performance. In particular, prospective investors are advised to note the following:

- BBSMARTU has been developed with the benefit of hindsight and knowledge of factors that may have positively affected their performance – that is, with the benefit of being able to evaluate how BBSMARTU's methodology would have caused the BBSMARTU to perform had it existed during the hypothetical back-test period. Accordingly, the actual performance of the BBSMARTU may differ significantly from the back-tested information, and performance over the hypothetical back-test period may not, therefore, be an accurate or reliable indication of any fundamental aspect of the BBSMARTU's methodology.
- The back-tested information might look different if it covered a different historical period. The market conditions which existed during the historical period covered by the back-tested information are not necessarily representative of the market conditions which may exist in the future.

The level of the BBSMARTU will be reduced based on embedded fees and costs

The level of the BBSMARTU is adjusted to reflect embedded fees and costs. The BBSMARTU charges a maintenance fee which reflects the BBVA and IHS' compensation for structuring and maintaining the BBSMARTU. The BBSMARTU also charges fees designed to track transaction costs and financing costs. These fees will offset, in whole or in part, any positive performance and increase any negative performance of the Index Components. The level of the Index Components (before taking into account such fees and costs) must, as a result, increase by an amount sufficient to offset the fees and costs in order for the BBSMARTU to display a positive return. There can be no assurance that such an increase will occur, and if it does not, you will suffer a loss on your investment.

The total amount of embedded transaction costs in the BBSMARTU is not predictable at the issuance of the [Notes] and will depend on a number of factors, including the performance of the BBSMARTU and each

Index Component and the frequency of changes to the composition of the BBSMARTU under the operation of the BBSMARTU methodology, among other matters. As a result, it is not possible to predict at the time of issuance of the [Notes] the amount of the embedded fees and, therefore the increase in the level of the Index Components (before taking into account such embedded fees and costs) that would be necessary to offset such fees and costs and to result in a positive return on your investment.

Rebalancing of the BBSMARTU will increase the embedded costs

Rebalancing of the BBSMARTU in order to maintain its target volatility will increase the embedded costs which are based, in part, on hypothetical transaction activity corresponding to the rebalancing of the BBSMARTU. The embedded fees may also exceed the costs incurred as a result of actual transaction activity. The BBSMARTU also may require frequent and/or significant levels of rebalancing, which would result in a higher level of embedded fees being reflected in the calculation of the level of the BBSMARTU. The rebalancing of the BBSMARTU will adversely affect the performance of the BBSMARTU and the value of the [Notes].

The volatility control mechanism may negatively impact the performance of the BBSMARTU

The BBSMARTU follows a rules-based strategy that provides leveraged exposure to the performance of the Index Components with a rules-based volatility control mechanism that aims to control the volatility of the BBSMARTU close to a pre-defined target level. By seeking to maintain a predetermined level of volatility, the BBSMARTU may underperform an alternative strategy that seeks to maintain a higher or lower volatility or an alternative strategy that does not seek to maintain a level volatility. The volatility control mechanism also includes minimum and maximum allocations and an aggregate limit on exposure. These provisions may limit the ability of the BBSMARTU to adjust to market conditions or to participate in favorable Index Component performance and may cause the BBSMARTU to underperform another strategy that is not subject to these or similar conditions.

In addition, the BBSMARTU allocates its relative exposure to each of the BBSMARTU based upon the applicable market environment (as described in its methodology). These allocation rules were chosen based on economic assumptions. It is impossible to predict the extent to which these assumptions will hold true in the future and whether they will produce positive BBSMARTU performance.

The BBSMARTU may not approximate the target volatility

The BBSMARTU seeks to maintain an annualized realized volatility approximately equal to its volatility target by rebalancing its exposure to the Index Components based on the volatility of the Index Components and the VIX. They are made based on historic volatility, and there is no guarantee that trends exhibited by any such measures will continue in the future. The volatility of a portfolio on any day may change quickly and unexpectedly. Accordingly, the actual realized volatility of the BBSMARTU may be greater than or less than the target volatility, which may adversely affect the level of the BBSMARTU and the [Notes].

The performance of the BBSMARTU may be negatively affected by the allocation among the Index Components

The BBSMARTU allocates its exposure among the Index Components based on pre-determined rules set forth in its methodology. Based on these allocation rules, the BBSMARTU may allocate exposure to an Index Component that has significantly lower returns than another Index Component, and possibly even negative returns while the returns of the other Index Components are positive. These allocation rules could lower the performance of the BBSMARTU versus a strategy that was not subject to rebalancing between the Index Components.

Under normal circumstances, equity futures may exhibit significantly higher volatility than the target volatility. Accordingly, the “volatility control” mechanism may have the effect of skewing allocations among Index Components toward components that provide exposure to fixed-income assets (which typically have lower volatility than components that provide exposure to equities) or to cash (which has zero volatility). Index Components that typically have lower volatility may have lower return potential than components that typically have higher volatility, and any allocation to cash will earn no return at all.

Moreover, if the BBSMARTU has a relatively high allocation to components that provide exposure to fixed-income assets, it will be particularly sensitive to factors that adversely affect the value of fixed-income instruments, such as increases in interest rates or declining perceptions of credit quality. A high allocation to components that provide exposure to fixed-income assets may also cause the BBSMARTU to underperform a portfolio more heavily weighted with higher volatility assets under certain circumstances. For example, in an equity bull market that is accompanied by rising interest rates, a portfolio heavily weighted with components that provide exposure to fixed-income assets might decline in value as a result of the rising interest rates, while a portfolio heavily weighted with components that provide exposure to equities would appreciate in value.

The lower performance of one Index Component may offset increases in other Index Components

At a time when the value of one Index Component increases, the value of another Index Component may not increase as much or may even decline. This may offset the potentially positive effect of the performance of the former Index Component on the performance of the BBSMARTU. Accordingly, it is possible that the level of the BBSMARTU may decline even if the value of one or more of its Index Components rises, because of the offsetting effect of a decline in another Index Component.

There can be no assurance that the performance of the BBSMARTU over time will approximate the return of a managed futures strategy or any other actively managed investment strategy

The BBSMARTU uses a quantitative, rules-based allocation methodology to track a basket of sovereign bond futures, equity index futures and a gold ETF. The composition of the BBSMARTU at any time is determined solely by its allocation methodology and is not actively managed. There can be no assurance that the performance of the BBSMARTU over time will approximate the return of a managed futures strategy or any other actively managed investment strategy.

The BBSMARTU may not be a fully diversified portfolio

Diversification is generally considered to reduce the amount of risk associated with generating returns. There can be no assurance that the BBSMARTU will be sufficiently diversified at any time. Additionally, each Index Component is concentrated in a particular market. An investment in the [Notes] may increase your exposure to fluctuation in the relevant markets and may underperform an investment linked to more diversified Index Components.

The [Notes] are subject to currency exchange risk

The BBSMARTU is linked to sovereign bond futures contracts and equity index futures which are denominated in foreign currencies. Currency exchange rates vary over time, and may vary considerably during the term of the [Notes]. The values of the relevant currencies relative to the US dollar are, at any time, a result of the supply and demand for those currencies. Changes in currency exchange rates result over time from the interaction of many factors directly or indirectly affecting economic and political conditions in a relevant country, and economic and political developments in other countries. Currency exchange rates can also be affected by actions of the relevant sovereign government.

Of particular importance to potential currency exchange risk are:

- the overall growth and performance of the economies of relevant countries;
- existing and expected rates of inflation;
- existing and expected interest rate levels;
- the balance of payments in the relevant countries and between each relevant country and its major trading partners;
- the extent of governmental surplus or deficit in the relevant countries; and
- the stability of the governments and banking systems of the relevant countries.

All of these factors are, in turn, sensitive to the monetary, fiscal and trade policies pursued by the relevant countries and those of other countries important to international trade and finance, and all which could have a material effect on the value of and return on the [Notes].

The [Notes] are subject to interest rate risk

The level of each Index Component referencing government bond futures contracts is affected by the market prices of the underlying sovereign bonds, which are volatile and significantly influenced by a number of factors, particularly the yields on the underlying sovereign bonds as compared to current market interest rates and the actual or perceived credit quality of the issuing country. Interest rates are subject to volatility due to a variety of factors, in addition to factors relating to currency exchange risks, including:

- sentiment regarding credit quality in the issuing countries and global credit markets;
- central bank policy of the issuing countries and other countries regarding interest rates; and
- performance of capital markets.

Fluctuations in interest rates could affect the level of the BBSMARTU and the value of and the return on your [Notes].

The perceived creditworthiness of each issuing country will affect the value of the sovereign bonds tracked by the BBSMARTU and, as a result, the level of the applicable Index Component and, therefore, the level of the BBSMARTU and the value of the [Notes]

Issuers of debt, including governments, face economic risks that differ depending on the market of the issuance. Material adverse changes resulting from these risks could impair the ability of such an issuer from repaying its debt obligations. Thus, if an issuer’s perceived creditworthiness changes or an issuer defaults on any of the debt obligations underlying a futures contract, the market for such futures contract is likely to experience increased and substantial volatility. Greater volatility in the market for each bond futures component could have an adverse impact on the level of the BBSMARTU and the value of your [Notes].

Certain BBSMARTU will track futures contracts on foreign exchanges that are less regulated than U.S. markets and are subject to risks that do not always apply to the U.S. markets

The futures contracts tracked by the BBSMARTU will include futures contracts on exchanges located outside the United States. You should be aware that investments in securities linked to the value of foreign futures contracts involve particular risks. The regulations of the CFTC do not apply to trading on foreign exchanges, and trading on foreign exchanges may involve different and greater risks than trading on U.S. exchanges. Certain foreign markets may be more susceptible to disruption than U.S. exchanges due to the lack of a government-regulated clearinghouse system. Trading on foreign exchanges also involves certain other risks that are not applicable to trading on U.S. exchanges. Those risks include varying exchange rates, exchange controls, expropriation, burdensome or confiscatory taxation, moratoriums and political or diplomatic events. It is possible that the foreign country or exchange may not have laws or regulations which adequately protect the rights and interests of investors.

The BBSMARTU may be subject to risks associated with international securities markets

Certain Index Components are futures contracts on indices comprised of non-U.S. securities. Accordingly, an investment in the [Notes] will involve risks associated with investments in non-U.S. securities markets.

Non-U.S. securities markets may be more volatile than U.S. securities markets, and market developments may affect those markets differently from the U.S. markets. Additionally, in Non-U.S. securities markets, there may be a high concentration of market capitalization and trading volume in a small number of issuers representing a limited number of industries, as well as a high concentration of certain types of investors (including investment funds and other institutional investors) in such securities markets. Direct or indirect government intervention to stabilize securities markets outside the United States, as well as cross-shareholdings in certain companies, may affect trading prices and trading volumes in those markets. Also, the public availability of information concerning the issuers of Non-U.S. securities will vary depending on their home jurisdiction and the reporting requirements imposed by their respective regulators. There is generally less publicly available information about international companies compared to U.S.-based companies subject to SEC reporting requirements. In addition, such issuers may be subject to accounting, auditing and financial reporting standards and requirements that differ from those applicable to U.S. reporting companies.

The prices of securities in Non-U.S. markets may be affected by political, economic, financial and social factors in such markets. These factors, which could negatively affect foreign securities markets, include the possibility of changes in a foreign government's economic and fiscal policies, the possible imposition of, or changes in, currency exchange laws or other laws or restrictions applicable to foreign companies or investments in foreign securities and the possibility of fluctuations in the rate of exchange between currencies. Moreover, foreign economies may differ favorably or unfavorably from the U.S. economy in important respects such as growth of gross national product, rate of inflation, capital reinvestment, resources and self-sufficiency.

Any or all of these factors could have an adverse impact on the performance of the BBSMARTU and the return on the [Notes].

The [Notes] do not offer direct exposure to the spot prices of sovereign bonds or gold or the current levels of equity indices

The BBSMARTU tracks sovereign bond futures contracts, equity index futures contracts and shares of a gold ETF, not sovereign bonds, stocks and physical commodities (or their respective spot prices or current levels, as applicable). The price of an equity index futures contract reflects the expected level of the underlying equity index in the future rather than its current level. The price of a sovereign bond futures contract reflects the expected value of the underlying sovereign bond upon delivery in the future, whereas the spot price of a sovereign reflects the immediate delivery value of the sovereign bond as the case may be. The price of the share of the SPDR® Gold Trust are similarly based on the current market price of the shares rather than the spot price of gold. A variety of factors can lead to a disparity between the expected future price of an underlying asset and the spot price at a given point in time, such as the cost of storing the underlying asset for the term of the futures contract, interest charges incurred to finance the purchase of the underlying asset, and expectations concerning supply and demand for the underlying asset. The price movements of a futures contract are typically correlated with the movements of the spot price of the underlying asset, but the correlation is generally imperfect and price movements in the spot market may not be reflected in the futures market (and vice versa). Accordingly, the [Notes] may underperform a similar investment that is linked to the spot prices or current levels, as applicable, of the underlying assets upon which the bond futures contracts, equity index futures contracts and ETF shares tracked by the BBSMARTU are based.

Commodity prices may change unpredictably, affecting the value of your [Notes] in unforeseeable ways

Trading in futures contracts is speculative and can be extremely volatile. Market prices of the futures contracts and the underlying commodities may fluctuate rapidly based on numerous factors, including changes in supply and demand relationships (whether actual, perceived, anticipated, unanticipated or unrealized); weather; trade; fiscal, monetary and exchange control programs; domestic and foreign political and economic events and policies; disease; pestilence; technological developments; changes in interest rates, whether through governmental action or market movements; and monetary and other governmental policies, action and inaction. The current or "spot" prices of the underlying commodities may also affect, in a volatile and inconsistent manner, the prices of futures contracts in respect of the relevant commodity. These factors may affect the levels of the applicable Index Component and the BBSMARTU and the value of your [Notes] in varying ways, and different factors may cause the prices of the commodities and of the futures contracts, and the volatilities of their prices, to move in inconsistent directions and at inconsistent rates.

Higher futures prices of the futures contracts underlying the BBSMARTU relative to the current prices of those contracts may affect the level of the BBSMARTU and, therefore, the value of the BBSMARTU and the value of the [Notes]

The BBSMARTU is composed of futures contracts on government bonds and equity indices and the shares of a gold ETF. Unlike equities, which typically entitle the holder to a continuing stake in a corporation, commodity futures contracts normally specify a certain date for delivery of the underlying physical commodity. As the exchange-traded futures contracts that compose the BBSMARTU approach expiration, they are replaced by contracts that have a later expiration. Thus, for example, a contract purchased and held in August may specify an October expiration. As time passes, the contract expiring in October is replaced with a contract for delivery in November. This process is referred to as "rolling." If the market for these contracts is (putting aside other considerations) in "contango," where the prices are higher in the distant delivery months than in the nearer delivery months, the purchase of the November contract would take place at a price that is higher than the price of the October contract, thereby creating a negative "roll yield." Contango could adversely affect the level of the BBSMARTU and the value of [Notes] linked to the BBSMARTU.

If the market for these contracts is (putting aside other considerations) in "backwardation," where the prices are lower in the distant delivery months than in the nearer delivery months, the purchase of the November contract would take place at a price that is lower than the price of the October contract, thereby creating a positive "roll yield."

Suspension or disruptions of market trading in the futures markets may adversely affect the level of the BBSMARTU and, therefore, the value of the [Notes]

Futures markets are subject to temporary distortions or other disruptions due to various factors, including the lack of liquidity in the markets, the participation of speculators and government regulation and intervention. In addition, U.S. futures exchanges and some foreign exchanges have regulations that limit the amount of fluctuation in futures contract prices that may occur during a single day. These limits are generally referred to as "daily price fluctuation limits" and the maximum or minimum price of a contract on any given day as a result of these limits is referred to as a "limit price." Once the limit price has been reached in a particular contract, no trades may be made at a different price. Limit prices have the effect of precluding trading in a particular contract or forcing the liquidation of contracts at disadvantageous times or prices. These circumstances could adversely affect the level of the BBSMARTU and, therefore, the value of your [Notes].

Legal and regulatory changes could adversely affect the level of the BBSMARTU

The futures contracts that underlie the BBSMARTU are subject to legal and regulatory regimes that may change in ways that could adversely affect our ability to hedge our obligations under the [Notes] and affect the level of the BBSMARTU. Any future regulatory changes, including but not limited to changes resulting from the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), may have a substantial adverse effect on the value of your [Notes].

In October 2020, the CFTC adopted rules to establish revised or new position limits on 25 agricultural, metals and energy commodity derivatives contracts. The limits apply to a number of commodity futures contracts, such as CBOT Soybeans, Soybean Meal and Wheat futures; ICE Futures US Cotton No. 2, Sugar No. 11 and Sugar No. 16 futures; NYMEX Light Sweet Crude Oil, NYMEX NY Harbor USLD Heating Oil, NY Harbor Gasoline Blendstock and Henry Hub Natural Gas futures; and COMEX Gold, Silver and Copper futures and NYMEX Palladium futures. The limits apply to a person's combined position in the specified 25 futures contracts and options on futures ("core referenced futures contracts"), futures and options on futures directly or indirectly linked to the core referenced futures contracts, and economically equivalent swaps. These rules came into effect on January 1, 2022 for covered futures and options on futures contracts and on January 1, 2023 for covered swaps. The rules may reduce liquidity in the exchange-traded market for those commodity-based futures contracts, which may, in turn, have an adverse effect on any payments on the [Notes]. Furthermore, we or our affiliates may be unable as a result of those restrictions to effect transactions necessary to hedge our obligations under the [Notes] resulting in a disruption event, in which case we may, in our sole and absolute discretion, accelerate the Final Index Level determination for your [Notes].

The [Notes] are not regulated by the CFTC

The net proceeds to be received by us from the sale of the [Notes] will not be used to purchase or sell any commodity futures contracts or options on futures contracts for your benefit. An investment in the [Notes] thus neither constitutes an investment in futures contracts, options on futures contracts nor a collective investment vehicle that trades in these futures contracts (i.e., the notes will not constitute a direct or indirect investment by you in the futures contracts), and you will not benefit from the regulatory protections of the CFTC. Among other things, this means that we are not registered with the CFTC as a futures commission merchant and you will not benefit from the CFTC's or any other non-U.S. regulatory authority's regulatory protections afforded to persons who trade in futures contracts on a regulated futures exchange through a registered futures commission merchant. For example, the price you pay to purchase [Notes] will be used by us for our own purposes and will not be subject to customer funds segregation requirements provided to customers that trade futures on an exchange regulated by the CFTC.

Unlike an investment in the [Notes], an investment in a collective investment vehicle that invests in futures contracts on behalf of its participants may be subject to regulation as a commodity pool and its operator may be required to be registered with and regulated by the CFTC as a commodity pool operator or qualify for an exemption from the registration requirement. Because the [Notes] will not be interests in a commodity pool, the [Notes] will not be regulated by the CFTC as a commodity pool, we will not be registered with the CFTC as a commodity pool operator, and you will not benefit from the CFTC's or any non-U.S. regulatory authority's regulatory protections afforded to persons who invest in regulated commodity pools.

BBSMARTU may in the future include contracts that are not traded on regulated futures exchanges

At present, the futures contracts tracked by the BBSMARTU are comprised exclusively of regulated futures contracts. However, an Index Component may in the future include over-the-counter contracts (such as swaps and forward contracts) traded on trading facilities that are subject to lesser degrees of regulation or, in some cases, no substantive regulation. As a result, trading in such contracts and the manner in which prices and volumes are reported by the relevant trading facilities may not be subject to the provisions of and the protections afforded by the U.S. Commodity Exchange Act or other applicable statutes and related regulations that govern trading on regulated U.S. futures exchanges or similar statutes and regulations that govern trading on regulated European, Singaporean or Japanese futures exchanges. In addition, many electronic trading facilities have only recently initiated trading and do not have significant trading histories. As a result, the trading of contracts on such facilities and the inclusion of such contracts as an Index Component may be subject to certain risks not presented by current U.S., European, Singaporean or Japanese exchange-traded futures contracts, including risks related to the liquidity and price histories of the relevant contracts.

A designated contract may be replaced if the existing contract is terminated or replaced

A futures contract known as a "designated contract" has been selected as the reference contract for each applicable underlying asset or measure whose futures contracts are referenced by the BBSMARTU. Data concerning this designated contract will be used to calculate the BBSMARTU level. If a designated contract were to be terminated or replaced a comparable futures contract would be selected to replace that designated contract. The termination or replacement of any designated contract may have an adverse impact on the value of the BBSMARTU and the return on and the value of your [Notes].

In addition, such suspensions or disruptions may cause the BBVA or IHS to declare a disruption or extraordinary with respect to the BBSMARTU. The occurrence of such an event may cause a suspension in the calculation and publication of the level of the BBSMARTU.

Changes in the composition and valuation of the BBSMARTU or VIX or discontinuation or modification of the BBSMARTU or VIX may adversely affect the value of your [Notes]

The composition and methodology of the BBSMARTU and/or VIX may change over time as a result to market changes or other factors. Such changes could adversely affect the value of your [Notes].

IHS may be unable to calculate and publish the BBSMARTU

The publication of the official closing level of the BBSMARTU depends on maintenance of requisite licenses, the continued exchange trading of the applicable futures contracts and ETF shares and publication of the levels and any disturbance or discontinuation of any of these actions may adversely affect the ability of IHS to continue with the calculation and publication of the official closing level of the BBSMARTU.

If the BBSMARTU is discontinued or modified, the value of your [Notes] may be adversely affected

In the event that BBVA or IHS' discontinues publication of the BBSMARTU, it is possible that the value of your [Notes] will be adversely affected when compared to the situation in which the BBSMARTU were still published.

Our actions as the sponsor of BBSMARTU may adversely affect holder's interests in the [Notes]

We are the BBSMARTU sponsor. As the BBSMARTU sponsor, we have participated in determinations with respect to the BBSMARTU and its methodology and selected IHS as the index calculation agent and administrator. IHS will continue to make determinations (and may consult with us prior to making such determinations) with respect to the BBSMARTU, including whether a disruption event has occurred and whether to use an alternate method of calculation if a disruption event has occurred, and has the discretion to modify the methodology for the BBSMARTU or to suspend or cancel the BBSMARTU. Neither we nor IHS had or have any obligation to consider the interests of any holders of the [Notes] in connection with any action or determination as the sponsor, calculation agent or administrator of the BBSMARTU. There can be no assurance that any determination made by us in our capacity as BBSMARTU Sponsor or any determination made by IHS in its capacity as index calculation agent and administrator will not have an adverse effect on the level of the BBSMARTU and, therefore, the return on your [Notes].

The [Notes] are subject to risks associated with gold

The investment objective of the SPDR® Gold Trust is to reflect the performance of the price of gold bullion, less the expenses of the SPDR® Gold Trust's operations. The price of gold is primarily affected by the global demand for and supply of gold. The market for gold bullion is global, and gold prices are subject to volatile price movements over short periods of time and are affected by numerous factors, including macroeconomic factors, such as the structure of and confidence in the global monetary system, expectations regarding the future rate of inflation, the relative strength of, and confidence in, the U.S. dollar (the currency in which the price of gold is usually quoted), interest rates, gold borrowing and lending rates and global or regional economic, financial, political, regulatory, judicial or other events. Gold prices may be affected by industry factors, such as industrial and jewelry demand as well as lending, sales and purchases of gold by the official sector, including central banks and other governmental agencies and multilateral institutions that hold gold. Additionally, gold prices may be affected by levels of gold production, production costs and short-term changes in supply and demand due to trading activities in the gold market. From time to time, above-ground inventories of gold may also influence the market. It is not possible to predict the aggregate effect of all or any combination of these factors. The price of gold has recently been, and may continue to be, extremely volatile.

The policies of the exchange on which an Index Component is traded may affect the price of such Index Component

The policies of an exchange concerning the manner in which the price of any Index Component is determined or reported may affect the performance of such contract or ETF. No exchange on which an Index Component currently trades is an affiliate of BBVA. Consequently, we have no ability to control or predict the actions of any such exchange. An exchange for any Index Component may also from time to time change any rule or bylaw or take emergency action under its rules, any of which may affect the value of such Index Component. An exchange for any Index Component may delist such Index Component at any time or discontinue or suspend calculation or dissemination of information relating to such Index Component. Any such actions could affect the value of and the payment (if any) due on the [Notes].

There are risks relating to commodities trading on the London Bullion Market Association

The investment objective of the SPDR® Gold Trust is to reflect the performance of the price of gold bullion, less the expenses of the SPDR® Gold Trust's operations. The price of gold is determined by the London Bullion Market Association ("**LBMA**") or an independent service provider appointed by the LBMA. The LBMA is a self-regulatory association of bullion market participants. Although all market-making members of the LBMA are supervised by the Bank of England and are required to satisfy a capital adequacy test, the LBMA itself is not a regulated entity. If the LBMA should cease operations, or if bullion trading should become subject to a value added tax or other tax or any other form of regulation currently not in place, the role of the LBMA gold price as a global benchmark for the value of gold may be adversely affected. The LBMA is a principals' market, which operates in a manner more closely analogous to an over-the-counter physical commodity market than regulated futures markets, and certain features of U.S. futures contracts are not present in the context of LBMA trading. For example, there are no daily price limits on the LBMA which would otherwise restrict fluctuations in the prices of LBMA contracts. In a declining market, it is possible that prices would continue to decline without limitation within a trading day or over a period of trading days. The LBMA may alter, discontinue or suspend calculation or dissemination of the LBMA gold price, which could adversely affect the value of the notes. The LBMA, or an independent service provider appointed by the LBMA, will have no obligation to consider your interests in calculating or revising the LBMA gold price.

Neither we nor our affiliates are affiliated with any issuer, sponsor or adviser of any Index Component, and such parties could take actions that may adversely affect the [Notes]

No issuer, sponsor or adviser of any Index Component is an affiliate of ours or any of our affiliates or is involved with any offering of [Notes] in any way. Consequently, we have no ability to control the actions of any issuer, sponsor or adviser of any Index Component. Any of these actions could adversely affect the value of the relevant Index Component and, correspondingly, adversely affect the level of the BBSMARTU and the market value of the [Notes]. No issuer, sponsor or adviser of any Index Component has any obligation to consider your interest as an investor in the [Notes] in taking any actions that might adversely affect the value of your [Notes]. None of the money you pay for the [Notes] will go to any issuer, sponsor or adviser of any Index Component. The obligations represented by the [Notes] are obligations of ours and not of any issuer, sponsor or adviser of any Index Component.

We obtained the information about each Index Component from public filings

We have derived all information contained herein about each Index Component from publicly available documents. We have not participated and will not participate in the preparation of any of these documents. Nor have we made or will we make any "due diligence" investigation or any inquiry with respect to any Index Component in connection with the offering of the [Notes]. We do not make any representation that any publicly available document or any other publicly available information about any Index Component is accurate, complete or up-to-date. Furthermore, we do not know whether all events relating to each Index Component, including events that would affect the accuracy or completeness of the publicly available documents referred to above or the value or price of any Index Component, have been publicly disclosed. Subsequent disclosure of any events of this kind or the disclosure of or failure to disclose material future events could affect the value of the [Notes] and the amount you will receive at maturity. As a prospective investor in the [Notes], you should undertake an independent investigation of each Index Component as in your judgment is appropriate in order to make an informed decision with respect to an investment in the [Notes].